

EAGAR MUNICIPAL  
PROPERTY CORPORATION

AGENDA

MARCH 27, 2017  
12:00 P.M.

EAGAR TOWN HALL  
COUNCIL CHAMBER  
22 W. 2<sup>ND</sup> STREET  
EAGAR, AZ 85925

NOTICE OF A SPECIAL MEETING OF THE  
**EAGAR MUNICIPAL PROPERTY CORPORATION**  
Monday, March 27, 2017 – 12:00 P.M.  
22 West 2<sup>nd</sup> Street, Eagar, AZ

PURSUANT TO A.R.S. 38 431.02, NOTICE IS HEREBY GIVEN TO THE MEMBERS OF THE EAGAR MUNICIPAL PROPERTY CORPORATION AND THE GENERAL PUBLIC THAT THE EAGAR MUNICIPAL PROPERTY CORPORATION WILL HOLD A SPECIAL MEETING **OPEN TO THE PUBLIC ON MONDAY, MARCH 27, 2017 BEGINNING AT 12:00 P.M., AT THE EAGAR TOWN HALL LOCATED AT 22 W. 2<sup>ND</sup> STREET, EAGAR, ARIZONA.**

**AGENDA**

**1. CALL TO ORDER**

**2. OPEN CALL TO THE PUBLIC**

**3. NEW BUSINESS**

- A. CONSIDERATION TO APPROVE A CORPORATE RESOLUTION ALLOWING OFFICER(S) TO SIGN DOCUMENTS
- B. DISCUSSION AND CONSIDERATION TO APPROVE THE MINUTES OF MAY 27, 2014
- C. DISCUSSION AND CONSIDERATION OF THE SECOND AMENDMENT TO THE EAGAR MUNICIPAL PROPERTY CORPORATION BASHAS' INC. LEASE

**4. ADJOURNMENT**

IF ANYONE WISHING TO ATTEND THIS MEETING HAS SPECIAL NEEDS DUE TO A DISABILITY, PLEASE CONTACT THE TOWN CLERK AT 928-333-4128 TWENTY-FOUR HOURS PRIOR TO THE MEETING AND ACCOMMODATIONS WILL BE PROVIDED. ANYONE NEEDING INFORMATION ON THE CURRENT MEETING PLEASE CONTACT THE TOWN CLERK AT 928-333-4128.

POSTED BY: Eva Wilson

Date: March 23, 2017  
Time: 4:00 p.m.

**TOWN OF EAGAR**

**M E M O R A N D U M**

**TO:** Eagar Municipal Property Corporation

**FROM:** Eva Wilson, Town Clerk

**DATE:** March 22, 2017

**SUBJECT:** **Assignment of Officers**

The Eagar Town Council has appointed Milton Nelson to serve as the Eagar Municipal Property Corporation's president.

Enclosed with this packet is a Corporate Resolution authorizing Mr. Nelson to execute the necessary documents for the corporation.

The Town Clerk's records still show Mr. Merrell Hamblin as the Corporation's Secretary/Treasurer. Mr. Doug Brown is the Corporation's Agent; and the Town Manager serves as the Corporation's director. The Mayor has historically served as the Vice-President.

As it has been some time since the Corporation has met, I have also attached the *Bylaws of the Municipal Property Corporation* to help refresh your memories on the responsibilities of the various officers and the Corporation as a whole.

## CERTIFICATE OF CORPORATE RESOLUTION

State of Arizona \_\_\_\_\_ }  
County of APACHE \_\_\_\_\_ } **SS:**

I, Merrell Hamblin, Secretary of **Eagar Municipal Property Corporation**, an Arizona corporation, do hereby certify that the following is a true copy of a resolution passed at a regular meeting of the Board of Directors of said corporation, duly called, and held at the offices of the corporation at 22 W. 2<sup>nd</sup> Street on March 27, 2017 at the hour of 12:00 P. M. on said day, at which meeting a quorum was present:

RESOLVED that Milton Nelson, as President of the corporation is hereby authorized to execute for and on behalf of the corporation deeds, contracts of sale, mortgages, deeds of trust, satisfactions of mortgages, leases and any other documents or instruments pertaining to or connected with real property to be acquired or currently held by this corporation.

I do further certify that said resolution was adopted by the unanimous vote of the board members present, and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand, as Secretary of **Eagar Municipal Property Corporation**, an Arizona Corporation, this 27<sup>th</sup> day of March 2017.

\_\_\_\_\_  
Secretary

On January 23, 2008, before me personally appeared Merrell Hamblin, whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to this document and who acknowledged that he/she signed the above/attached document in his or her authorized capacity (ies).

(Seal)

\_\_\_\_\_  
Notary Public

Commission Expires: \_\_\_\_\_

**MINUTES**  
**EAGAR MUNICIPAL PROPERTY CORPORATION**  
**22 W. 2<sup>nd</sup> St., Eagar, AZ**  
**May 27, 2014 – 12:00 P.M.**

PRESENT: James Brown, President  
Merrell Hamblin  
Vicki Anderson  
Bryce Hamblin, Mayor

ABSENT: Doyle Hale

STAFF PRESENT: Tami Ryall, Town Manager  
Bruce Ray, Public Works / Community Development Director  
Eva Wilson, Town Clerk

**1. CALL TO ORDER**

President Jim Brown called the meeting of the Eagar Municipal Property Corporation Board (MPC) to order at 12:00 p.m.

**2. OPEN CALL TO THE PUBLIC**

None.

**3. NEW BUSINESS**

**ITEM #3: NEW BUSINESS**

**A. DISCUSSION AND CONSIDERATION TO APPROVE THE MINUTES OF NOVEMBER 5, 2012**

Merrell Hamblin moved to approve the minutes of November 5, 2012. Vicki Anderson seconded; all were in favor, motion carried unanimously. 4-0

**B. UPDATE AND DISCUSSION REGARDING A NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG) ECONOMIC DEVELOPMENT COUNCIL GRANT PROPOSAL THAT MAY ASSIST WITH THE REPAIR AND REPLACEMENT OF THE BASHAS' BUILDING ROOF, INDOORS CEILING TILES, OUTDOOR LIGHTING, AND PAVEMENT REPAIRS**

Bruce Ray notified that Board that Eagar has applied for a NACOG economic development grant, however no updates are available regarding the grant until June 7, 2014 and consideration of grant applications will not be noticed until well into the fall of 2014. Eagar has applied for the \$100,000 grant to replace the roof at Bashas' building which had an estimated replacement cost of \$120,000.

Jim Brown asked what will happen if Eagar does not receive the grant. Mr. Ray replied that the Town would have to find other revenue to replace the roof. Mr. Ray added that Bashas' is close to hitting the percentage of sales revenue threshold where the Town of Eagar would be eligible for a percentage of those sales as agreed to in the contract. If the Town starts receiving a percentage of sales, Eagar will save all the revenue to put back into the maintenance of that building.

C. UPDATE AND DISCUSSION REGARDING THE FORECLOSURE OF EAGAR APPLIANCE

Mr. Ray notified the Board that Eagar Appliance is foreclosing and that property and building will be auctioned at the Apache County Courthouse on May 28, 2014. That trust property will be sold pursuant to the power of sale under that Deed of Trust and Assignment of Rents. The Eagar Municipal Property Corporation will not likely see any revenues from the sale of that property nor will the Eagar Municipal Property Corporation be able to dictate which kind of business can be relocated in that location, the business could be sold to a business that does not generate sales tax for the town.

**ITEM #4: ADJOURNMENT**

Merrell Hamblin moved to adjourn the Eagar Municipal Property Corporation meeting [at 12:10 p.m.] Vicki Anderson seconded; all were in favor, motion carried unanimously. 4-0

## SECOND AMENDMENT TO LEASE

**THIS SECOND AMENDMENT TO LEASE** is entered into as of March 1, 2017 between **EAGAR MUNICIPAL PROPERTY CORPORATION**, an Arizona nonprofit corporation, hereinafter called "Lessor" and **BASHAS' INC.**, an Arizona corporation, hereinafter called "Lessee".

### RECITALS

WHEREAS, the Lessor and Lessee are parties to that certain Lease Agreement dated April 8, 2002 pursuant to which Lessor has leased to Lessee certain premises in the Eagar Shopping Center, Town of Eagar, State of Arizona, more particularly described in the Lease.

WHEREAS, the term of the Lease was extended for an additional five (5) years pursuant to the First Amendment to Lease dated as of June 1, 2012;

WHEREAS, the term of the Lease, as extended by the said First Amendment, is currently set to expire on May 31<sup>st</sup>, 2017.

WHEREAS, the parties desire to amend the Lease to extend the term of the Lease for an additional one (1) year period until May 31<sup>st</sup>, 2018, while retaining Lessee's existing option to extend the Lease for an additional five (5) year period.

NOW, THEREFORE, the parties hereby agree to amend the Lease Agreement as follows:

1. Extension of Term. Lessor and Lessee hereby agree to extend the term of the Lease for an additional one year period, running from June 1<sup>st</sup>, 2017 until May 31<sup>st</sup>, 2018 (the "Second Renewal Period"). Except for the change in the time for Lessee to exercise its option to extend as set forth in Section 2 below, the remaining terms and conditions of this Lease shall remain unchanged through the Second Renewal Period.

2. Option to Extend. Provided Lessee is not in default at the time of the exercise of its option, or if in default, the default is thereafter cured, Lessee shall continue to have one additional option to extend the term of the Lease for a period of five years (i.e. from June 1<sup>st</sup>, 2018 until May 31<sup>st</sup>, 2023) (now referred to as the "Third Renewal Period"). Said option may be exercised by Lessee giving notice to Lessor not less than 180 days prior to the expiration of the Second Renewal Period. If Lessee exercises its option for the Third Renewal Period, the terms and conditions of this Lease shall remain unchanged through the Third Renewal Period.

3. Ratification. Lessor and Lessee agree that, except as expressly modified by this Second Amendment, the terms and conditions of the Lease Agreement are hereby ratified and confirmed.

IN WITNESS WHEREOF, the parties have executed this Second Amendment to Lease as of the date and year first written above.

**LESSOR:**

**EAGAR MUNICIPAL PROPERTY  
CORPORATION, an Arizona non-profit  
corporation**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**LESSEE:**

**BASHAS' INC., an Arizona corporation**

By: \_\_\_\_\_

Its: \_\_\_\_\_